

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of

GENERAL ADJUSTMENT OF ELECTRIC )  
RATES OF KENTUCKY UTILITIES )  
COMPANY )

CASE NO. 8177

O R D E R

On March 23, 1981, Kentucky Utilities Company (Company) filed its Notice of a General Adjustment of Electric Rates to become effective April 13, 1981. The Company also filed a Motion pursuant to KRS 278.190(2) requesting that the Commission grant an interim increase of \$29.2 million of the total proposed increase of \$39.3 million. As grounds for the Motion, the Company contends that its credit and operations have been materially impaired and will be further impaired by the failure to permit the interim rates to become effective immediately. Testimony in support of the proposed interim rates and the proposed permanent rates has been filed with the Notice.

The above Motion specifically requests that the Commission (a) assign the Motion for prompt hearing; (b) direct Intervenor to be then prepared to cross examine the Company's proof on the Motion and to file, on or before that hearing date, any opposing proof; and (c) assign the proposed permanent rates for hearing at the earliest practicable date and direct the Company to give

notice to the public of the proposed permanent rates and of the Motion in accordance with applicable provisions of the Commission's Tariff Rules, except that notice of hearing on the Motion be published weekly as often as practicable prior to the date of such hearing.

The Commission, having considered the Motion and being advised, hereby ORDERS That said Motion be and it hereby is sustained in part and overruled in part as follows:

1. That a hearing with respect to the proposed permanent rates be and it hereby is scheduled on April 28, 1981 at 1:00 p.m., Eastern Daylight Time, in the Commission's offices at Frankfort, Kentucky; provided, however, that cross examination is hereby deferred subject to further Orders of the Commission.

2. That a hearing for the purpose of cross examination with respect to the proposed interim rates be and it hereby is scheduled on April 28, 1981 at 1:30 p.m., Eastern Daylight Time, in the Commission's offices at Frankfort, Kentucky.

3. That Intervenors shall file with the Commission, with copies to parties of record, testimony, if any, with respect to the proposed interim rates by May 12, 1981.

4. That in the event Intervenors file testimony, a hearing for the purpose of cross examination will be scheduled approximately one (1) week subsequent to May 12, 1981, the date, time and place to be specified by Order.

IT IS FURTHER ORDERED That the proposed interim rates and charges and the proposed permanent rates and charges be and they hereby are suspended and the application of the rates is deferred for a period of five (5) months on and after April 13, 1981.

IT IS FURTHER ORDERED That Kentucky Utilities Company shall at least twenty (20) days prior to the date of hearing mail to each customer a typewritten or printed notice of the proposed interim rates and charges and the proposed permanent rates and charges and the place, date, hour and purpose of the hearings. Alternatively, the Company shall publish once a week for three (3) consecutive weeks in a newspaper or newspapers of general circulation in the areas served by the Company a notice setting forth the place, date, hour and purpose of the hearings, the proposed interim rates and charges and the proposed permanent rates and charges as set forth in the Notice. Said notice shall also include the following language:

1. The rates contained in this notice are the rates proposed by Kentucky Utilities Company. However, the Public Service Commission may, after evidentiary hearings, order rates to be charged that differ from these proposed rates. Such action may result in an increase in rates for customers other than those rates included in this notice.
2. Copies of the verified prepared testimony in support of the proposed interim rates may be obtained at the Company's offices, One Quality Street, Lexington, Kentucky 40507, or by mail from the Company by those who have filed notice of intervention with the Public Service Commission, 730 Schenkel Lane, P. O. Box 615, Frankfort, Kentucky 40602.

IT IS FURTHER ORDERED That nothing contained herein shall prevent the Commission from entering further Orders in this matter in the event the proceedings in this case shall be terminated by final Order and/or otherwise prior to the termination of the five month period of suspension.

Done at Frankfort, Kentucky, this 31st day of March, 1981.

PUBLIC SERVICE COMMISSION

Marlin M. Voh  
For the Commission

ATTEST:

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Secretary